

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3141-03
Bill No.: SCS for SB 755
Subject: Education, Higher
Type: Original
Date: February 25, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTIONS

Name Change for Missouri Western State College

Officials from the **Department of Higher Education** (DHE) assume this legislation has no direct fiscal impact on the DHE. However, it could have an impact on the higher education institution included due to costs incurred with changes in signage, stationary, and other related changes, including costs associated with prospective changes in institutional mission.

In response to a previous version of this proposal, officials from **Missouri Western State College** assume this proposal would have no impact on their organization. They stated that with proper planning, the change could be done at minimal cost and would not result in the need for additional state appropriations.

In response to a similar proposal, officials from the **University of Missouri** assumed there would be no fiscal impact on their organization.

ASSUMPTIONS (continued)

Oversight assumes this proposal would result in minimal one-time costs to Missouri Western State College for signage, stationary, and other related changes. Oversight further assumes there would be no permanent increase in operating costs as a result of this proposal, and that any costs associated with prospective changes in institutional mission and additional degree programs would be addressed through the normal state budget process for higher education.

Prohibition of A+Reimbursements to Four-year Institutions

Officials from the **Department of Higher Education** (CBH) assume this proposal would have no impact on their organization.

Officials from the **Metropolitan Community Colleges** assume this proposal could result in losses to the community colleges if students enroll in vocation and technical schools instead.

Officials from the **Department of Elementary and Secondary Education** (DESE) assume this proposal would have no impact on their organization nor any fiscal impact on the state. DESE noted that during FY 2002, two four-year institutions had agreements with a community college and a technical school, respectively, for courses not available at the two-year institutions. Total A+ reimbursements related to these agreements were \$625,804. DESE assumes that if these agreements were prohibited, the A+ funds would be awarded to other qualified students.

Officials from **Linn State Technical College, Moberly Area Community College, North Central Missouri College, State Fair Community College, and St. Louis Community College System** did not respond to our request for information.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would change the name of Missouri Western State College to Missouri Western State University and change its mission to a statewide institution of applied learning. Associate degree programs would be discontinued unless continuation is approved by the Coordinating Board for Higher Education, and baccalaureate and graduate degree programs would be permitted. The regional governing body would be replaced by a board selected on a statewide basis. The proposal would also eliminate the minimum age requirement for admission to the University of Missouri. Reimbursements to four-year institutions from the A+ Schools program based on cooperative agreements with other institutions would be prohibited; A+ reimbursements would be limited to students exclusively attending community colleges and vocation and technical schools.

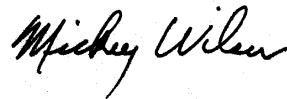
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Western State College
Department of Higher Education
Department of Elementary and Secondary Education
Metropolitan Community Colleges

NOT RESPONDING

Linn State Technical College
Moberly Area Community College
North Central Missouri College
State Fair Community College
St. Louis Community College System



Mickey Wilson, CPA
Director
February 25, 2004